

## Message Text

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ACTION EUR-12

INFO OCT-01 EA-12 IO-14 ISO-00 CIAE-00 COME-00 EB-08  
INR-10 LAB-04 NSAE-00 SIL-01 DODE-00 PM-05 H-02  
L-03 NSC-05 PA-02 SP-02 SS-15 ICA-20 /116 W  
-----017876 301302Z /43 43

R 291810Z AUG 78  
FM AMEMBASSY LONDON  
TO SECSTATE WASHDC 9528  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY COPENHAGEN  
AMEMBASSY CANBERRA  
AMEMBASSY DUBLIN  
AMEMBASSY THE HAGUE  
AMEMBASSY HELSINKI  
AMEMBASSY LUXEMBOURG  
AMEMBASSY OSLO  
AMEMBASSY OTTAWA  
AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY STOCKHOLM  
AMEMBASSY TOKYO  
AMEMBASSY WELLINGTON  
USMISSION GENEVA

UNCLAS SECTION 1 OF 2 LONDON 13908

C O R R E C T E D COPY PARAS 1 & 2.

USEEC

E.O. 11652: N/A  
TAGS: ELAB  
SUBJECT: UNEMPLOYMENT AND VACANCIES - AUGUST 1978  
REF: LONDON 11721

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SUMMARY: UNEMPLOYMENT IN THE UK ROSE BY 22,505 TO 1.6  
MILLION (6.7 O/O IN THE MONTH TO AUGUST 10, ACCORDING TO  
FIGURES PUBLISHED BY THE DEPARTMENT OF EMPLOYMENT.  
AFTER SEASONAL ADJUSTMENT, THE UNEMPLOYED REGISTER NOW  
RECORDS 1.4 MILLION WITHOUT WORK IN THE UK. THE FULL  
DATA FOR THE UK AND GREAT BRITAIN ARE CONTAINED IN THE  
TABLE. THE FIGURES REVEAL A DETERIORAION WHICH MUST

CONCERN THE GOVERNMENT, DESPITE THE EXISTENCE OF A NUMBER OF SPECIAL FACTORS WHICH MAY EXPLAIN SOME OF THE INCREASE. TRADE UNION REACTION TO THE DATA WAS QUIET, PERHAPS MUTED BY THE IMMINENCE OF A GENERAL ELECTION. ONLY THE GIANT GENERAL AND MUNICIPAL WORKERS UNION (GMWU) ISSUED AN OFFICIAL STATEMENT INDICATING THAT THE FIGURES PROVIDED FURTHER EVIDENCE THAT THERE WAS A NEED FOR COHERENT POLICIES OF JOB SHARING. THE TORY REACTION WAS PREDICTABLY STRONG, CONCENTRATING ON THE POOR UNEMPLOYMENT RECORD "LABOUR BRITAIN" HAS HAD RELATIVE TO COMPARABLE INDUSTRIAL COUNTRIES. END SUMMARY.

1. AN INCREASE OF 0.1 PERCENT IN THE PROPORTION OF ALL UK EMPLOYEES REGISTERED AS UNEMPLOYED OVER THE MONTH TO MID-AUGUST HAS AGAIN CONCENTRATED THE ATTENTION OF THE GOVERNMENT, ITS ALLIES AND CRITICS, ON ITS RECORD ON UNEMPLOYMENT. THE FULL DATA (CONTAINED IN THE TABLE) REVEAL A DETERIORATION MOST MARKED IN THE 20,700 INCREASE OF SEASONALLY ADJUSTED ADULT UNEMPLOYMENT. A FURTHER WORRYING FEATURE WAS THE FALL IN NOTIFIED VACANCIES OF 5,814 (1,700 AFTER SEASONAL ADJUSTMENT).

2. SPOKESMEN STRESSED THAT THERE WERE A NUMBER OF SPECIAL CIRCUMSTANCES AT WORK WHICH HELPED TO EXPLAIN THE DISAPPOINTING RESULTS FOR AUGUST. THUS, THE IMPACT UNCLASSIFIED

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OF BAD WEATHER ON SEASONAL JOBS, THE GROWING NUMBER OF WOMEN REGISTERING, INCREASING NUMBERS OF PEOPLE CHANGING THEIR JOBS, AND THE NUMBER OF OVER 18'S LEAVING INSTITUTIONS OF HIGHER EDUCATION ARE ALL HAVING THEIR IMPACT.

3. THE REACTION OF THE TRADE UNIONS TO THE DATA WAS QUIET. ONLY ONE LEADING TRADE UNION ISSUED A FORMAL STATEMENT, THE GENERAL & MUNICIPAL WORKERS UNION . THE GMWU CALLED ON THE GOVERNMENT FOR

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ACTION EUR-12

INFO OCT-01 EA-12 IO-14 ISO-00 CIAE-00 DODE-00 PM-05

H-02 INR-10 L-03 NSAE-00 NSC-05 PA-02 SP-02

SS-15 ICA-20 COME-00 EB-08 LAB-04 SIL-01 /116 W

-----033761 310053Z /62

R 291810Z AUG 78

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 9529

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY CANBERRA

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY HELSINKI

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AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

AMEMBASSY WELLINGTON

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C O R R E C T E D C O P Y (CCY FOR GARBLE TEXT)

WORK SHARING POLICIES TO ALLEVIATE UNEMPLOYMENT.

OTHER LEADING TRADE UNIONS REMAINED SILENT, PERHAPS IN THE BELIEF THAT THE UNEMPLOYMENT STICK OUGHT NOT TO BE USED TO BEAT THE GOVERNMENT BEFORE A GENERAL ELECTION THAT WILL NOW PROBABLY BE FOUGHT WITH MORE THAN 1.5 MILLION WITHOUT WORK.

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4. THE TORIES, CONFIDENT THAT UNEMPLOYMENT IS ONE OF THE WEAKEST POINTS IN THE GOVERNMENT'S ELECTION POSTURE, LED WITH AN ATTACK FROM THEIR EMPLOYMENT SPOKESMAN JAMES PRIOR. HE SUGGESTED THAT THE LABOR GOVERNMENT'S PERFORMANCE ON UNEMPLOYMENT "HAS BEEN WORSE THAN THAT OF OTHER MAJOR INDUSTRIAL COUNTRIES". HE ALSO ARGUED THAT IT WAS "ONLY AN ARRAY OF SUBSIDIES" THAT WERE "CONCEALING A JOBLESS TOTAL NEARER 2 MILLION". GOVERNMENT MINISTERS DISMISSED TORY ATTACKS AS HYPOCRITICAL AND RE-AFFIRMED THAT THE ECONOMIC POLICIES PROPOUNDED BY THE TORIES WOULD ONLY ADD TO UNEMPLOYMENT.

IN SHORT, THE POLITICAL EXCHANGES OVER THIS MONTH'S  
UNEMPLOYMENT FIGURES INDICATE THAT IT WILL FORM ONE  
OF THE CENTRAL ISSUES SHOULD THE GOVERNMENT DECIDE  
ON AN OCTOBER ELECTION.

UNEMPLOYMENT AND VACANCIES - AUGUST 1978

GREAT BRITAIN UNITED KINGDOM

NUMBER CHANGE/JULY NUMBER CHANGE/JULY

ADULT

UNEMPLOYED 1,323,559 42,772 1,386,245 43,750

SCHOOL

LEAVERS 210,882-20,818 222,071 -21,245

TOTAL UN-

EMPLOYED 1,534,441 21,954 1,608,316 22,505

RATE 6.6 0.1 6.7 0.1

ADULT UNEM-

PLOYED (SEASON-

ALLY ADJUSTED)

1,330,900 20,900 1,392,100 20,700

RATE 5.7 0.1 5.8 0.1

VACANCIES 238,951 -5,714 240,871 -5,814

VACANCIES

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(SEASONALLY

ADJUSTED) 207,700 -1,500 209,300 -1,700 STREATOR

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## Message Attributes

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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** UNEMPLOYMENT, DATA, LABOR FORCE  
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**Decaption Date:** 01 jan 1960  
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**Disposition Approved on Date:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014